Condensed interim financial statements

for the period ended

June 30, 2014

arGEN-X

MANAGEMENT STATEMENT

The undersigned hereby declare that, to the best of their knowledge, the interim financial statements for the six-months period ended June 30, 2014, which have been prepared in accordance with the IAS 34 'Interim Financial Reporting' as adopted by the European Union, give a true and fair view of the equity, the financial situation and the results of arGEN-X N.V. and the companies that are included in the consolidation scope.

The undersigned also declare that, to the best of their knowledge, the interim financial report provides a true and fair review of the important events that have occurred during the first six months of the financial year and of the other legally required information.

In the name and for the account of the Board of Directors

Tim van Hauwermeiren

CEO

Eric Castaldi

CFO

A. BUSINESS REVIEW OF THE FIRST HALF OF 2014

Main events in the first half of 2014

- arGEN-X launched its Initial Public Offering on Euronext Brussels
- arGEN-X and The Leukemia & Lymphoma Society partnered on the Development of ARGX-110 for the treatment of Waldenström's Macroglobulinemia
- arGEN-X entered into long-term strategic alliance with Shire Pharmaceuticals
- arGEN-X presented results of Phase 1 study of ARGX-110, a novel anti-CD70 antibody, in patients with advanced cancer at ASCO
- arGEN-X announced collaboration with Bayer to discover and develop therapeutic antibody candidates
- arGEN-X appointed Dr Werner Lanthaler to its Board
- arGEN-X received two preclinical milestone payments under its Shire collaboration
- arGEN-X entered into a pilot research agreement with Boehringer Ingelheim
- arGEN-X started Phase 1b expansion cohorts with ARGX-110, a novel anti-CD70 antibody, in cancer patients

Financial highlights

- Operating income was EUR 1.6 million for the six months period ended 30 June 2014 compared to EUR 1.5 million for the same period in 2013.
- Research and development expenses were EUR 4.9 million for the first six months period of 2014, compared to EUR 5.5 million in the same period in 2013.
- General and administrative expenses were EUR 1.4 million and EUR 1 million for the six months period ended 30 June 2014 and 2013 respectively.
- In the six month period ended 30 June 2014, the Group generated a loss of EUR 4.6 million compared to EUR 4.8 million during the first half of 2013.
- On 30 June 2014 the Group's cash and cash equivalents amounted to EUR 20.6 million compared to EUR 22.7 million on 31 December 2013.

B. CONDENSED INTERIM FINANCIAL STATEMENTS

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

ASSETS ***(in thousands of euros)***	**Six months ended June 30, 2014**	**Year ended December 31, 2013**
Non-current assets	**781**	**586**
Intangible assets	9	0
Property, plant and equipment	99	120
Financial assets	1	1
Tax receivables	671	466
Current assets	**27,075**	**24,427**
Trade and other receivables	2,210	1,100
Other financial assets	500	500
Prepaid expenses	3,726	106
Cash and cash equivalents	20,639	22,720
TOTAL ASSETS	**27,856**	**25,013**

EQUITY AND LIABILITIES ***(in thousands of euros)***	**Six months ended June 30, 2014**	**Year ended December 31, 2013**
Equity		
Equity attributable to owners of the parent		
Share capital	466	466
Share premium	45,304	45,304
Retained earnings	(30,061)	(25,491)
Other reserves	1,796	1,426
Total equity	**17,505**	**21,704**
Non-current liabilities	**0**	**0**
Current liabilities	**10,351**	**3,309**
Trade and other payables	6,424	2,853
Deferred revenue	3,927	456
Total liabilities	**10,351**	**3,309**
TOTAL EQUITY AND LIABILITIES	**27,856**	**25,013**

The notes are an integral part of these condensed interim financial statements.

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME *(in thousands of euros)*	**Six months ended June 30, 2014**	**Six months ended June 30, 2013**
Revenue	570	838
Other operating income	1,075	701
Total operating income	**1,645**	**1,539**
Research and development expenses	(4,880)	(5,463)
General and administrative expenses	(1,415)	(991)
Operating profit/(loss)	**(4,650)**	**(4,916)**
Financial income	65	84
Exchange gains/(losses)	15	5
Result Profit/(loss) before taxes	**(4,570)**	**(4,826)**
Income tax (income/expense)	0	0
PROFIT/LOSS FOR THE PERIOD	**(4,570)**	**(4,826)**
TOTAL COMPREHENSIVE INCOME OF THE PERIOD	**(4,570)**	**(4,826)**
Weighted average number of shares outstanding	18,000	18,000
Basic and diluted loss per share (in €)	(254)	(268)

There are no non-controlling interests in the Group.

The notes are an integral part of these condensed interim financial statements.

CONDENSED INTERIM STATEMENT OF CASH FLOWS

CONSOLIDATED CASHFLOW STATEMENT *(in thousands of euros)*	**Six months ended June 30, 2014**	**Six months ended June 30, 2013**
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating result	**(4,650)**	**(4,916)**
Adjustments for non-cash items		
Depreciation of property, plant and equipment	43	51
Expense recognised in respect of share-based payments	370	167
	(4,237)	**(4,698)**
Movements in working capital		
Increase/decrease in trade and other receivables	(1,316)	(534)
Increase/decrease in other financial assets	0	500
Increase/decrease in other current assets	(3,620)	51
Increase/decrease in trade and other payables	3,572	526
Increase/decrease in deferred revenue	3,471	(78)
Cash generated from/(used in) operating activities	**(2,130)**	**(4,232)**
NET CASH FLOWS FROM OPERATING ACTIVITIES	**(2,130)**	**(4,232)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(32)	0
Interest received	65	84
NET CASH FLOWS FROM INVESTING ACTIVITIES	**33**	**84**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	0	10,001
Repayment of borrowings	0	(1,692)
NET CASH FLOWS FROM FINANCING ACTIVITIES	**0**	**8,308**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(2,097)**	**4,160**
Cash and cash equivalents at the beginning of the period	**22,720**	**15,430**
Exchange gains/(losses) on cash & cash equivalents	15	5
Cash and cash equivalents at the end of the period	**20,639**	**19,596**

The notes are an integral part of these condensed interim financial statements.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent					
	Share capital	Share premium	Retained earnings	Other reserves Equity-settled share-based payment reserve	Total equity attributable to owners of the parent	TOTAL EQUITY
Balance at 31 December 2012	**339**	**30,431**	**(19,360)**	**1,181**	**12,591**	**12,591**
Total comprehensive income of the period			(4,826)		**(4,826)**	(4,826)
Issue of share capital	89	9,911			**10,001**	10,001
Transaction costs for equity issue					**0**	0
Share-based payment				167	**167**	167
Balance at 30 June 2013	**428**	**40,342**	**(24,186)**	**1,348**	**17,932**	**17,932**
Balance at 31 December 2013	**466**	**45,304**	**(25,491)**	**1,426**	**21,704**	**21,704**
Total comprehensive income of the period			(4,570)		**(4,570)**	(4,570)
Issue of share capital					**0**	0
Transaction costs for equity issue					**0**	0
Share-based payment				370	**370**	370
Balance at 30 June 2014	**466**	**45,304**	**(30,061)**	**1,796**	**17,505**	**17,505**

The notes are an integral part of these condensed interim financial statements.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 2014

1. General information

arGEN-X (the Company) is a limited company incorporated in the Netherlands. The addresses of its registered office and principal place of business are disclosed in the part on General Information. The principal activities of the Company and its subsidiaries (the Group) are described in note 7.4.

The following condensed interim financial statements were authorized for issue by the Board of Directors meeting on Tuesday August 26, 2014.

2. Summary of significant accounting policies

2.1. Statement of compliance and basis of preparation

These condensed interim financial statements for the six months ended June 30, 2014 have been prepared in accordance with IAS 34 'Interim financial reporting'. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year-ended 31 December 2013, which have been prepared in accordance with IFRS.

The condensed interim financial statements have been approved for issue by the Board of Directors on August 26, 2014.

The accounting policies adapted in the preparation of the condensed interim financial statements are consistent with those applied in the special purpose preparation of the financial statements for the year ended 31 December 2013. New standards or interpretations applicable from 1 January 2014 do not have any impact on the condensed interim financial statements.

The principal accounting policies applied in the preparation of the above financial statements are set out below.

All amounts are presented in thousands of Euro, unless otherwise indicated, rounded to the nearest EUR '000.

These condensed interim financial statements have been reviewed, not audited.

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2014:

- ✓ IAS 27 Revised 'Separate financial statements', effective for annual periods beginning on or after 1 January 2014. The revised standard includes the provisions on separate financial statements that are left after the control provisions of IAS 27 have been included in the new IFRS 10.
- ✓ IAS 28 Revised 'Investments in associates and joint ventures', effective for annual periods beginning on or after 1 January 2014. The revised standard now includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11.
- ✓ IFRS 10 'Consolidated financial statements', effective for annual periods beginning on or after 1 January 2014. The new standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements.
- ✓ IFRS 11 'Joint arrangements', effective for annual periods beginning on or after 1 January 2014. The new standard focuses on the rights and obligations rather than the legal form. Proportional consolidation is no longer allowed.
- ✓ IFRS 12 'Disclosure of interests in other entities', effective for annual periods beginning on or after 1 January 2014. This is a new standard on disclosure requirements for all forms of interests in other entities.
- ✓ Amendments to IFRS 10 'Consolidated financial statements', IFRS 11 'Joint arrangements' and IFRS 12 'Disclosure of interests in other entities'. The amendments clarify the transition guidance in IFRS 10, and provide additional transition relief (for example by limiting the requirement to provide adjusted comparative information to only the preceding comparative period or, for disclosures related to unconsolidated structured entities, removing the requirement to present comparative information for periods before IFRS 12 is first applied). These amendments will be effective for annual periods beginning on or after 1 January 2014 which is aligned with the effective date of IFRS 10, 11 and 12.
- ✓ Amendments to IAS 32 'Offsetting financial assets and financial liabilities', effective for annual periods beginning on or after 1 January 2014. The amendments clarify some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position.
- ✓ Amendments to IAS 36 'Impairment of assets', effective for annual periods beginning on or after 1 January 2014. The IASB made consequential amendments to the disclosure requirements of IAS 36 when it issued IFRS 13. One of the amendments was drafted more widely than intended. This limited scope amendment corrects this and introduces additional

disclosures about fair value measurements when there has been impairment or a reversal of impairment.

- ✓ Amendments to IAS 39 ‘Financial instruments: Recognition and measurement’, effective for annual periods beginning on or after 1 January 2014. These amendments provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria. Similar relief will be included in IFRS 9 ‘Financial instruments’.
- ✓ Amendments to IFRS 10 ‘Consolidated financial statements’, IFRS 12 ‘Disclosure of interests in other entities’ and IAS 27 ‘Separate financial statements’ for investment entities. Effective for annual periods beginning on or after 1 January 2014. The amendments give an exemption to entities that meet an ‘investment entity’ definition and which display certain characteristics to account for its subsidiaries at fair value.

The following new interpretation has been issued and has been endorsed by the European Union, but is not mandatory for the first time for the financial year beginning 1 January 2014:

- ✓ IFRIC 21 ‘Levies’, effective for annual periods beginning on or after 17 June 2014. IFRIC 21 sets out the accounting for a liability to pay a levy if that liability is within the scope of IAS 37. It also addresses the accounting for a liability to pay a levy whose timing and amount is certain.

The following new standards and amendments to standards have been issued, but are not mandatory for the first time for the financial year beginning 1 January 2014 and have not been endorsed by the European Union:

- ✓ IFRS 9 ‘Financial instruments’, effective for annual periods beginning on or after 1 January 2018. The standard addresses the classification, measurement and derecognition of financial assets and financial liabilities.

- ✓ Amendment to IAS 19 ‘Defined benefit plans’, effective for annual periods beginning on or after 1 July 2014. The amendment seeks clarification for the accounting of employee contributions set out in the formal terms of a defined benefit plan.
- ✓ Amendment to IFRS 9 ‘financial instruments’ on general hedge accounting, effective for annual periods beginning on or after 1 January 2018. The amendment incorporates the new general hedge accounting model which will allow reporters to reflect risk management activities in the financial statements more closely as it provides more opportunities to apply hedge accounting. These amendments also impact IAS 39 and introduce new disclosure requirements for hedge accounting, thereby impacting IFRS 7, irrespective of the fact whether hedge accounting requirements under IFRS 9 or IAS 39 are used.
- ✓ Amendment to IFRS 11 'Joint arrangements' on acquisition of an interest in a joint operation, effective for annual periods beginning on or after 1 January 2016. This amendment adds new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business. The amendments specify the appropriate accounting treatment for such acquisitions.
- ✓ Amendment to IAS 16 'Property, plant and equipment' and IAS 38 'Intangible assets' on depreciation and amortisation, effective for annual periods beginning on or after 1 January 2016. In this amendment the IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the

consumption of the economic benefits embodied in the asset. The IASB has also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.

- ✓ IFRS 15 'Revenue from contracts with customers'. The IASB and FASB have jointly issued a converged standard on the recognition of revenue from contracts with customers. The standard will improve the financial reporting of revenue and improve comparability of the top line in financial statements globally. Companies using IFRS will be required to apply the revenue standard for annual periods beginning on or after 1 January 2017, subject to EU endorsement.

The Company anticipates that the above-mentioned Standards and Interpretations will not have a significant impact on the financial statements of the Company in the period of initial application.

The financial statements have been established assuming the Company is in a state of going concern.

2.2. Segment reporting

The Company does not distinguish different segments, neither business nor geographical segments which is in accordance with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the Board of Directors.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described above, the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following area are areas where key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Going concern: The interim results for the six months ended June 30, 2014 show a negative result, and the balance sheet includes a loss carried forward. The Board has examined the statements and accounting standards. Taking into account the solid cash position, and the fact that in July a successful IPO was completed, the Board is of the opinion that it can submit the interim financial statements on a going concern basis.

3.1. Equity

The share capital of the company is divided in ordinary shares, preferred shares, cumulative convertible preferred A shares, cumulative convertible preferred B1 shares and cumulative convertible preferred B2 shares.

Roll forward of number of shares outstanding

Number of shares outstanding as per 31/12/2013	**465,597**
Series A finance round 01/08/2009	182,858
Series B1 finance round on 1/11/2011	156,251
Series B2 finance round on 1/07/2013	89,286
Series B2+ finance round on 1/10/2013	37,202
No movements during first half of the year	0
Number of shares outstanding as per 30/06/2014	**465,597**

As of 30 June2014, 18,000 ordinary shares, 22,000 preferred shares, 142,858 cumulative convertible preferred A shares, 156,251 cumulative convertible preferred B1 shares, 89,286 cumulative convertible preferred B2 shares and 37.202 cumulative convertible preferred B2+ shares were issued and fully paid up.

The preferred shares, the cumulative convertible preferred A shares, the cumulative convertible preferred B1, B2 and B2+ shares have special rights in the event of the liquidation of the company, a sale, merger or other change of control of the company. In those events the holders of these shares will have a preferred position in relation to the proceeds of such event.
The A and B, refer to the different financing rounds of the company. The B-financing round happened in 2 tranches (B1 and B2) and was extended in October 2013 with a new investor coming on board (B2+).
There are no preferred voting rights attached, the preferences contain special rights over the common shares in terms of distribution of dividends and preserve extra added value in case of liquidation events.

The par value per share amounts 1,00 EUR per share.

3.2. Share-based payments

The Company has a share option scheme for the employees of the Company and its subsidiaries. In accordance with the terms of the plan, as approved by shareholders, employees may be granted options to purchase ordinary shares at an exercise price as mentioned below per ordinary share.

On May 10, 2010 (10,337), November 30, 2010 (6,246), February 1, 2011 (380), May 23, 2013 (30,574) December 4, 2013 (17,475) and June 30, 2014 (10,988) a total of 76,000 share options were granted to and accepted by the beneficiaries. Of these 76,000 share options, no share options expired and no share options have been exercised as of June 30, 2014.

The share options are granted to employees, consultants or directors of the Company and its subsidiaries. The share options have been granted free of charge. Each employee share option converts into one ordinary share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The share options granted vest, in principle, as follows:

(i) 1/3rd of the share options granted will vest on the first anniversary of the granting of the share options, and

(ii) 1/24th of the remaining 2/3rd of the share options granted will vest on the last day of each of the 24 months following the month of the first anniversary of the granting of the share options.

No other conditions are attached to the share options.

The following share-based payment arrangements were in existence during the current and prior years and which are exercisable at closing of each period presented:

Expiry date	Exercise price per share option *(in EUR)*	Oustanding share options 30/06/2014	31/12/2013
2019	52.50	15,484	15,484
2020	52.50	1,099	1,099
2021	52.50	380	380
2021	32.43	30,574	30,574
2021	32.43	17,475	17,475
2021	32.43	10,988	
		76,000	**65,012**

The fair market value of the Ordinary Shares has been determined based on an expected returns valuation model, which considers the discounted present value of a range of future exit proceeds for the underlying Ordinary Shares, based on various forecast scenario's weighted by the probability of such scenarios occurring.

A first step was to determine an appropriate set of exit scenarios. The transaction value of such scenarios was determined by reference to transactions of companies in the same field of activity and in the same stage of their development. The next step was to deduct from the transaction values amounts payable to preference shares that take priority to the Ordinary Shares of the Company to arrive at the forecast exit proceeds for each of the scenarios. These exit proceeds are then discounted back to arrive at their net present value and the outcome of the above was further decreased to take into account discounts for the lack of control and lack of marketability of the Ordinary Shares. This range of values is then individually probability weighted to arrive at an overall fair market value for the Ordinary Shares and a fair market value per Ordinary Shares.

No share options were exercised or expired during the year (2013: nil; 2012: nil; 2011: nil) nor the first half of 2014.

4. Notes to the condensed statement of financial position

4.1. Prepaid expenses

The prepaid expenses as per June 30, 2014 amount to 3,726 KEUR and mainly relate to fees and other expenses (for an amount of 3,588 KEUR) related to the Initial Public Offering ('IPO') of the Company which will be deducted from equity as from the moment the proceeds will be received (being July 2014). As these fees were not yet paid as per June 30, 2014 the amount of 3,588 KEUR is also included in the trade and other payables, which explains the increase compared to year-end 2013.

4.2. Deferred revenue

The deferred revenue as per June 30, 2014 amounts to 3,927 KEUR and mainly relate to cash received from research collaboration agreements prior to completion of the earnings process. The total amount includes an initial payment received from Shire (3,000 KEUR) and also a payment from The Leukemia & Lymphona Society Partner (734 KEUR).

5. Notes to the condensed statement of comprehensive income

5.1. Revenue

(in thousands of euros)	**Six months ended June 30, 2014**	**Six months ended June 30, 2013**
License fees	75	44
Milestone payments	72	0
Research and development service fees (FTE)	423	794
Total	**570**	**838**

License fees, milestone payments and research and development service fees are recognised according to the accounting principles set by the company.

Deferred revenue on the statement of financial position relate to the deferral of upfront licence fees regarding R&D projects. As such, in accordance with the accounting principles, upfront payments that are deemed attributable to subsequent research and development work are initially recognized as deferred income and recognised over the expected period of continuing involvement.

5.2. Other operating income

(in thousands of euros)	**Six months ended June 30, 2014**	**Six months ended June 30, 2013**
IWT government grants	570	299
Grants on employment	300	251
R&D tax incentives	205	151
	1,075	**701**

IWT government grants

IWT, the agency for Innovation by Science and Technology of the Flemish government, provided arGEN-X with several grants.

arGEN-X Group received a fixed percentage of the expenses incurred in the following R&D projects at period end June 30, 2014:

1) IWT 1

Grantor: IWT

Start date:	01/09/2009
End date:	31/10/2011
Amount granted and approved by IWT:	1,308 KEUR
Amount received:	1,308 KEUR

2) IWT 2

Grantor: IWT

Start date:	01/04/2010
End date:	31/03/2012
Amount granted and approved by IWT:	1,569 KEUR
Amount received:	1,569 KEUR

3) IWT 3

Grantor: IWT

Start date:	01/08/2011
End date:	31/07/2013
Amount granted and approved by IWT:	1,326 KEUR
Amount received:	1,326 KEUR

4) *IWT – TGO*

Grantor: IWT

Start date:	01/01/2013
End date:	31/12/2016
Amount granted and approved by IWT:	2,697 KEUR
Amount received:	1,851 KEUR

No conditions related to the government grant assistance are unfulfilled, nor are there any contingencies related thereon at the date of the approval of these financial statements.

Other incentives

- arGEN-X received 300 KEUR in the first half of 2014 (Q2 2013: 251 KEUR) as a reduction in withholding taxes for its high-qualified R&D personnel.
- arGEN-X has accounted for a tax receivable of 205 KEUR in the first half of 2014 (Q2 2013: 151 KEUR) following an R&D incentive scheme in Belgium according to which the incentive will be refunded after a 5 year period, if not offset against the taxable basis over the respective period.

5.3. Research and development expenses

(in thousands of euros)	**Six months ended June 30, 2014**	**Six months ended June 30, 2013**
Personnel expense	1,526	1,386
Depreciation and amortisation	43	51
Research expenses	2,763	3,717
Materials and consumables	309	250
Other expenses	239	59
	4,880	**5,463**

In 2012, two of the companies' programs (ARGX 110 and ARGX 111) were introduced for Clinical Trials. These studies (first in Human) start with the production on a large scale of patient material for both drugs. Material production, storage and supply come with a significant higher R&D cost compared to the previous years. At the end of 2012, there was also a CRO selected to lead the Clinical Trials. The company evolved from Discovery stage to Clinical stage.
This evolution continued in 2014, with a third program introduced in pre-clinical development.

5.4. Income taxes

Income tax expense is recognized based on management's estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the year to 31 December 2014 is 0% as the company is currently in a loss making position.

6. Financial instruments and financial risk management

6.1. Overview of financial instruments

(in thousands of euros)	**Six months ended June 30, 2014**	**Year ended December 31, 2013**
Non-current financial assets	1	1
Financial assets available for sale	*1*	*1*
Trade and other receivables	2,210	1,100
Other financial assets	500	500
Cash and cash equivalents	20,639	22,720
Loans and receivables	*23,349*	*24,321*
Total financial assets	**23,350**	**24,321**
Non-current financial liabilities	0	0
Current financial liabilities	0	0
Trade and other payables	6,424	2,853
Financial liabilities at amortised cost	*6,424*	*2,853*
Total financial liabilities	**6,424**	**2,853**

The financial assets and liabilities presented above are all, except for the non-current financial assets, loans and receivables carried at amortised costs. Due to the current nature of the financial assets and liabilities, the fair value of all financial assets and liabilities presented above approximates their fair value (level 2).

6.2. Risks

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The interim financial report does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the consolidated annual financial statements or the year ended December 31, 2013 of the Company.

During the first semester of 2014 there have been no significant changes in the risk profile of the Company nor is the risk profile of the group expected to change in the second semester of 2014, except for the impact of the fact that the Company is listed on Euronext Brussels as from July 2014 which is further explained in these interim financial statements (see 7.5 events after the balance sheet date).

7. Other disclosures

7.1. Related party transactions

The shareholders of the Company are several minority investors and venture capitalists which individually do not hold a significant stake in the Company. Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. There were no transactions with related parties during the period, other than compensation of key management personnel.

7.2. Contingencies

The Group is currently not facing any outstanding litigation that might have a significant adverse impact on the Group's financial position.

7.3. Commitments

At closing date, there were no commitments signed for the acquisition of property, plant and equipment or intangible assets. Furthermore, no commitment for a new collaboration agreement has been set up at year-end.

7.4. Overview of consolidation scope

The parent company arGEN-X NV is domiciled in the Netherlands.

Details of the Group's subsidiaries at the end of the reporting period are as follows.

Name	Registration number	Country	Participation	Main activity
arGEN-X 110 BV	853245496	Netherlands	100.00%	Biotechnical research on drugs and pharma processes
arGEN-X 111 BV	853245332	Netherlands	100.00%	Biotechnical research on drugs and pharma processes
ArGEN-X BVBA	0818292196	Belgium	100.00%	Biotechnical research on drugs and pharma processes

7.5. Events after the balance sheet date

arGEN-X launched its Initial Public Offering on Euronext Brussels in June and it was successfully completed in July raising EUR 40 million in gross proceeds from the sale of 4,705,882 new shares at the offer price of EUR 8.50 per share. Additionally, the partial exercise of the over-allotment option raised a further EUR 1.8 million for the Company from the sale of 208,725 shares at the offer price, taking the total gross proceeds to EUR 41.8 million.